

Copper Valley

			2011 NECA Estimate																																	
Special Access		\$	1,931,777																																	
Local Switching & Information Surcharge		\$	1,218,864																																	
Transport		\$	64,994																																	
CCL		\$	3,930,929																																	
B & C		\$	137,987																																	
Total		\$	7,284,551																																	
	Effective Date		CAF Baseline	Year 1 Baseline	Year 1 Reduction	Year 2 Baseline	Year 2 Reduction	Year 3 Baseline	Year 3 Reduction	Year 4 Baseline	Year 4 Reduction	Year 5 Baseline	Year 5 Reduction	Year 6 Baseline	Year 6 Reduction	Year 7 Baseline	Year 7 Reduction	Year 8 Baseline	Year 8 Reduction																	
Base for CAF																																				
Interstate switched access revenue requirement		\$	1,283,858																																	
Intrastate terminating access		\$	15,630																																	
Intrastate dedicated transport (Part 51.903(j)) (Note 3)		\$	133,453																																	
<u>Reciprocal Compensation Net</u>																																				
Revenues		\$	64,124																																	
Expenses		\$	(132,653)																																	
5% Reduction in CAF Baseline Recovery (Note 1)	7/1/2012	\$	1,364,411	\$	1,296,191	\$	(34,110)	\$	1,231,381	\$	(64,810)	\$	1,169,812	\$	(61,569)	\$	1,111,322	\$	(58,491)	\$	1,055,756	\$	(55,566)	\$	1,002,968	\$	(52,788)	\$	952,819	\$	(50,148)	\$	905,178	\$	(47,641)	
Corporate Operations Cap impact on ICLS	1/1/2012				\$	(136,000)		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-			
Normal anticipated USF reduction under old rules	1/1/2012				\$	(350,000)																														
New USF Algorithm to modify limitation on corp ops expense	1/1/2012				\$	(40,000)		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-			
Reduction in USF for capped 2010 cost per loop (Note 2)	7/1/2012				\$	(497,000)		\$	(497,000)		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-			
Safety Net Additive Impact	1/1/2012				\$	(88,000)		\$	(88,000)		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-			
Revision to Parent Trap Rule	1/1/2012				\$	-		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-			
ICC Year over Year Reduction					\$	(34,110)		\$	(64,810)		\$	(61,569)		\$	(58,491)		\$	(55,566)		\$	(52,788)		\$	(50,148)		\$	(47,641)									
USF Year over Year Reduction					\$	(1,111,000)		\$	(585,000)		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-		\$	-			
Total Year over Year Reduction					\$	(1,145,110)		\$	(649,810)		\$	(61,569)		\$	(58,491)		\$	(55,566)		\$	(52,788)		\$	(50,148)		\$	(47,641)									
ICC Cumulative Reduction from Baseline					\$	(34,110)		\$	(98,920)		\$	(160,489)		\$	(218,980)		\$	(274,546)		\$	(327,333)		\$	(377,482)		\$	(425,123)									
USF Cumulative Reduction from Baseline					\$	(1,111,000)		\$	(1,696,000)		\$	(1,696,000)		\$	(1,696,000)		\$	(1,696,000)		\$	(1,696,000)		\$	(1,696,000)		\$	(1,696,000)		\$	(1,696,000)		\$	(1,696,000)			
Total Cumulative Reduction from Baseline					\$	(1,145,110)		\$	(1,794,920)		\$	(1,856,489)		\$	(1,914,980)		\$	(1,970,546)		\$	(2,023,333)		\$	(2,073,482)		\$	(2,121,123)		\$	(2,121,123)						

Note 1: Year 1 reduction reflects half-year reduction due to 7/1/2012 effective date.
Note 2: Year 1 reduction reflects half-year reduction due to 7/1/2012 effective date.
Note 3: Transitional intrastate access service means:
Terminating end office access service that was subject to intrastate access rates as of December 31, 2011
Terminating Tandem-Switched Transport Access Service that was subject to intrastate access rates as of December 31, 2011
Originating and terminating Dedicated Transport Access Service that was subject to intrastate access rates as of December 31, 2011